

LAW OFFICE  
THOMAS F. MCFARLAND, P.C.  
208 SOUTH LASALLE STREET - SUITE 1890  
CHICAGO, ILLINOIS 60604-1112  
TELEPHONE (312) 236-0204  
FAX (312) 201-9695  
*mcfarland@aol.com*

THOMAS F. MCFARLAND

August 14, 2006

By e-mail

Vernon A. Williams, Secretary  
Surface Transportation Board  
Case Control Unit, Suite 713  
1925 K Street, N.W.  
Washington, DC 20423-0001

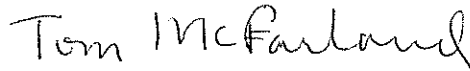
Re: STB Docket No. AB-868 (Sub-No. 1X), *Mississippi Tennessee Holdings, LLC -- Abandonment Exemption -- in Hardeman County, TN and Tippah and Union Counties, MS*

STB Docket No. AB-869 (Sub-No. 1X), *Mississippi Tennessee Railroad, LLC -- Discontinuance of Service Exemption -- in Hardeman County, TN and Tippah and Union Counties, MS*

Dear Mr. Williams:

Hereby transmitted is a Draft Environmental and Historic Report in the above proceedings, which is being sent to appropriate agencies on this date.

Very truly yours,



Thomas F. McFarland

*TMcF:kl:enc:wp8.0\1170\ltrstb1*

cc: Ms. Victoria Rutson, *by overnight mail*  
Mr. Randy Cundiff, *by e-mail*  
Mr. Barry McClure, *by e-mail*

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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MISSISSIPPI TENNESSEE HOLDINGS,	)	
LLC -- ABANDONMENT EXEMPTION --	)	DOCKET NO. AB-868
IN HARDEMAN COUNTY, TN AND	)	(SUB-NO. 1X)
TIPPAH AND UNION COUNTIES, MS	)	
	)	
MISSISSIPPI TENNESSEE RAILROAD,	)	
LLC -- DISCONTINUANCE OF SERVICE	)	DOCKET NO. AB-869
EXEMPTION -- IN HARDEMAN	)	(SUB-NO. 1X)
COUNT, TN AND TIPPAH AND UNION	)	
COUNTIES, MS	)	

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**DRAFT ENVIRONMENTAL AND HISTORIC REPORT**

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MISSISSIPPI TENNESSEE HOLDINGS, LLC  
102 Willow Drive  
P.O. Box 99  
O'Fallon, IL 62269

MISSISSIPPI TENNESSEE RAILROAD, LLC  
200 North Railroad Ave.  
New Albany, MS 38652

*Petitioners*

THOMAS F. McFARLAND  
THOMAS F. McFARLAND, P.C.  
208 South LaSalle Street, Suite 1890  
Chicago, IL 60604-1112  
(312) 236-0204

*Attorney for Petitioners*

DATE FILED: August 15, 2006

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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MISSISSIPPI TENNESSEE HOLDINGS,	)	
LLC -- ABANDONMENT EXEMPTION --	)	DOCKET NO. AB-868
IN HARDEMAN COUNT, TN AND	)	(SUB-NO. 1X)
TIPPAH AND UNION COUNTIES, MS	)	
	)	
MISSISSIPPI TENNESSEE RAILROAD,	)	
LLC -- DISCONTINUANCE OF SERVICE	)	DOCKET NO. AB-869
EXEMPTION -- IN HARDEMAN	)	(SUB-NO. 1X)
COUNT, TN AND TIPPAH AND UNION	)	
COUNTIES, MS	)	

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**DRAFT ENVIRONMENTAL AND HISTORIC REPORT**

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Pursuant to 49 C.F.R. § 1105.7 and § 1105.8, MISSISSIPPI TENNESSEE HOLDINGS, LLC (Holdings) and MISSISSIPPI TENNESSEE RAILROAD, LLC (Railroad) hereby file this Draft Environmental and Historic Report (Report). There is no information in the files of Holdings and Railroad to indicate that the rail line covered by this Report contains federally granted right-of-way. See 49 C.F.R. § 1152.60(d).

**I.**

**DRAFT ENVIRONMENTAL REPORT**

Holdings and Railroad hereby submit the following information required by 49 C.F.R.

§ 1105.7(e):

*(1) Proposed action and alternatives. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.*

The proposed action is abandonment by Holdings and discontinuance of rail service by Railroad over two segments of rail line totaling 20.76 miles, as identified below (referred to as “the Rail Line”): (1) between Milepost No. 367.5, which is located approximately 25 feet north of the centerline of Thryson Krump plant entry road in Middleton, Hardeman County, Tennessee, and Milepost No. 348.1, which is located approximately 1,663 feet north of the centerline of Industrial Park Road at the northern end of Ripley, Tippah County, Mississippi, a distance of approximately 19.4 miles; and (2) between Milepost No. 325.56, which is located approximately 25 feet north of the BNSF diamond in New Albany, Union County, Mississippi, and Milepost No. 324.2, which is located approximately one-quarter of a mile south of Interstate Highway 78 in Union County, Mississippi, a distance of approximately 1.36 miles. Holdings and Railroad intend to file a Notice of Exemption for that abandonment and discontinuance no earlier than 20 days after issuance of this Report. *See* 49 C.F.R. § 1105.7(b) and 49 C.F.R. § 1152.60.

No rail shipments have originated or terminated on the Rail Line for more than two years. Traffic that moves over the Rail Line for interchange with Norfolk Southern Railway Company or Kansas City Southern Railway Company at Middleton, TN can be rerouted for interchange with BNSF Railway Company at New Albany, MS.

Holdings proposes to dispose of the track materials in the rail line by removal and sale for scrap or reuse. Holdings proposes to dispose of the land in the railroad right-of-way by sale for corridor use or on a piecemeal basis.

If the petition for exemption were to be granted, current rail operations and maintenance practices would cease.

In the opinion of Holdings and Railroad, there is no reasonable alternative to the proposed abandonment and discontinuance because continued ownership and operation of the rail line would be unduly burdensome to Holdings, Railroad and interstate commerce. In the event that the Petition were to be granted, an alternative to abandonment would be an offer of financial assistance under 49 U.S.C. § 10904.

Attached to this Report as Appendix 1 is a map on which the Rail Line here involved has been highlighted in yellow.

*(2) Transportation system. Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.*

Holdings and Railroad believe that the proposed abandonment and discontinuance will have a minimal effect on regional and local transportation systems and patterns. No rail traffic originates or terminates on the Rail Line. Traffic that moves overhead on the Rail Line can be rerouted for continued rail transportation.

*(3) Land use. (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.*

Holdings and Railroad believe that the proposed abandonment and discontinuance will not be inconsistent with local or regional land use plans. There appears to be little possibility that loss of rail service would adversely affect land use in the area. There appears to be little prospect for locating rail-using businesses along the Rail Line.

In accordance with the requirements of this regulation, Holdings and Railroad have consulted by letter with planning agencies for Hardeman, Tippah and Union Counties. A copy of a

letter to those agencies is attached to this Report as Appendix 2. Responses received from those agencies will be furnished to the Board's Section of Environmental Analysis (SEA).

*(ii) Based on consultation with the Natural Resources Conservation Service, state the effect of the proposed action on any prime agricultural land.*

Holdings and Railroad do not believe that the proposed abandonment and discontinuance will have any effect on prime agricultural land. The rail line is adjacent to agricultural land at some locations, but is not itself agricultural land. Removal of trackage from the rail line should not have any effect on prime agricultural land. In accordance with this regulation, Holdings and Railroad have consulted by letter with the Natural Resource Conservation Service, formerly known as the U.S. Soil Conservation Service (Appendix 2). Any response to that letter will be furnished to SEA.

*(iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by Sec. 1105.9.*

Not applicable. The rail line is not located in a designated coastal zone.

*(iv) If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. 10905 and explain why.*

The rail line may be suitable for alternative public use as a recreational trail because of the assembled nature of the right-of-way corridor. It is doubtful that the rail line would be suitable for highway use in light of existing highways in the area.

*(4) Energy. (i) Describe the effect of the proposed action on transportation of energy resources.*

The proposed action will have no effect on transportation of energy resources.

*(ii) Describe the effect of the proposed action on recyclable commodities.*

The proposed action will have no effect on recyclable commodities.

*(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why.*

The proposed action is not likely to result in either an increase or decrease in overall energy efficiency because the Rail Line had not been used to originate or terminate rail shipments for more than two years.

*(iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) An average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given. To minimize the production of repetitive data, the information on overall energy efficiency in Sec. 1105.7(e)(4)(iii) need not be supplied if the more detailed information in Sec. 1105.7(e)(4)(iv) is required.*

Not applicable.

*(5) Air. (i) If the proposed action will result in either: (A) An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) An increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions. For a proposal under 49 U.S.C. 10901 (or 10505) to construct a new line or reinstitute service over a previously abandoned line, only the eight train a day provision in subsection (5)(i)(A) will apply. (ii) If the proposed action affects a class I or nonattainment area under the Clean Air Act, and will result in either: (A) An increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line, (B) An increase in rail yard activity of at least 20 percent (measured by carload activity), or (C) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan. However, for a rail construction under 49 U.S.C. 10901 (or 49 U.S.C. 10505), or a case involving the reinstitution of service over a previously abandoned line, only the three train a day threshold in this item shall apply. (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity; the frequency of service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.*

Not applicable.

*(6) Noise. If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) An incremental increase in noise levels of three decibels Ldn or more; or (ii) An increase to a noise level of 65 decibels Ldn or greater. If so, identify*

*sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.*

Not applicable.

*(7) Safety. (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings).*

The proposed exemption will have a beneficial effect on public health and safety.

Discontinuance of rail operations over the Rail Line will result in the closing and elimination of 22 public at-grade road crossings along the line. That will reduce vehicle delay time and the potential for rail-motor vehicle accidents in the area.

*(ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials. (iii) If there are any known hazardous waste sites or sites where there have been known hazardous materials spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved.*

Not applicable.

*(8) Biological resources. (i) Based on consultation with the U.S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects.*

Holdings and Railroad do not believe that it is likely that the proposed action would adversely affect endangered or threatened species or areas designated as critical habitat. In accordance with this regulation, Holdings and Railroad have consulted by letter with the U.S. Fish and Wildlife Service (Appendix 2). Any response to that letter will be furnished to SEA.

*(ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.*



Holdings and Railroad do not believe that the proposed exemption would affect wildlife sanctuaries or refuges, nor National or State parks or forests.

*(9) Water. (i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies.*

Holdings and Railroad believe that the proposed abandonment and discontinuance will be consistent with applicable Federal, State or local water quality standards. In accordance with this regulation, Holdings and Railroad have consulted by letter with Mississippi and Tennessee water quality officials (Appendix 2). Any response to that letter will be furnished to SEA.

*(ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.*

Holdings and Railroad believe that permits under section 404 of the Clean Water Act are not required for the proposed exemption. Holdings and Railroad do not believe that the proposed action will affect any designated wetlands or 100-year flood plains. In accordance with this regulation, Holdings and Railroad have consulted by letter with the U.S. Army Corps of Engineers (Appendix 2). Any response to that letter will be furnished to SEA.

*(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. 1342) are required for the proposed action. (Applicants should contact the U.S. Environmental Protection Agency or the state environmental protection or equivalent agency if they are unsure whether such permits are required.)*

Holdings and Railroad believe that permits under section 402 of the Clean Water Act are not required for the proposed action. In accordance with this regulation, Holdings and Railroad have consulted by letter with the U.S. Environmental Protection Agency (Appendix 2). Any response to that letter will be furnished to SEA.

*(10) Proposed Mitigation. Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.*

Not applicable.

## II.

### HISTORIC REPORT

Holdings and Railroad hereby submit the following information required by 49 C.F.R.

§ 1105.8(d):

*(1) A U.S.G.S. topographic map (or an alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action;*

An equivalent map is attached to this Report as Appendix 3.

*(2) A written description of the right-of-way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristics of the surrounding area;*

The right-of-way to be abandoned is generally 100 feet wide and 20.76 miles long. It extends generally through rural rolling wooded and pastured plains.

*(3) Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area;*

Attached to this Report as Appendix 4 are photographs of bridges on the Rail Line that are 50 years old or older.

*(4) The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known;*

Attached to this Report as Appendix 5 is a listing of the dates of construction of the bridges that are 50 years old or older.

*(5) A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action;*

The line proposed to be abandoned was originally a part of the main line of the Gulf, Mobile & Northern Railroad Company. It was acquired by Illinois Central Railroad Company through merger. It was sold to Mississippi & Tennessee Railnet, from whom Holdings acquired the line in May, 2003.

*(6) A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic;*

No such documents are in Holding's or Railroad's possession.

*(7) An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 CFR 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities);*

It is the opinion of Holdings and Railroad that the bridges listed in Appendix 5 do not meet the criteria for listing on the National Register of Historical Places, and that there is no likelihood of archeological resources or any other previously unknown historic properties in the project area. In accordance with this regulation, Holdings and Railroad have consulted by letter with the Mississippi Historic Preservation Offices in Mississippi and Tennessee (Appendix 2). Any response to that letter will be furnished to SEA.

*(8) A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or manmade) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.*

Holdings and Railroad have no knowledge of any prior sub-surface ground disturbance or fill, or environmental conditions that might affect the archeological recovery of resources and the surrounding terrain.

Respectfully submitted,

MISSISSIPPI TENNESSEE HOLDINGS, LLC  
102 Willow Drive  
P.O. Box 99  
O'Fallon, IL 62269

MISSISSIPPI TENNESSEE RAILROAD, LLC  
200 North Railroad Ave.  
New Albany, MS 38652

Petitioners

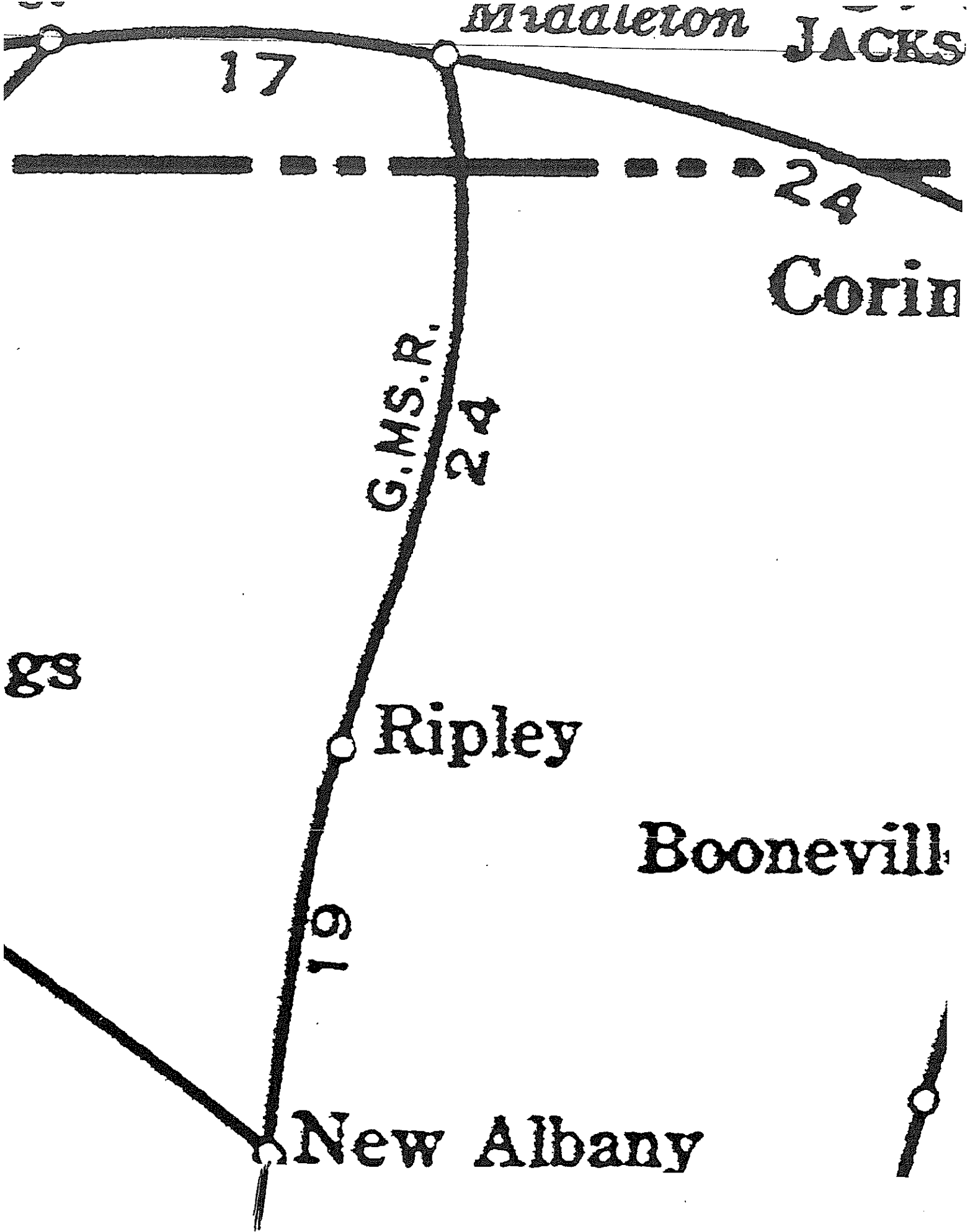


THOMAS F. McFARLAND  
THOMAS F. McFARLAND, P.C.  
208 South LaSalle Street, Suite 1890  
Chicago, IL 60604-1112  
(312) 236-0204

Attorney for Petitioners

DATE FILED: August 15, 2006

## APPENDIX 1



## APPENDIX 2

LAW OFFICE  
**THOMAS F. MCFARLAND, P.C.**  
208 SOUTH LASALLE STREET - SUITE 1890  
CHICAGO, ILLINOIS 60604-1112  
TELEPHONE (312) 236-0204  
FAX (312) 201-9695  
*mcfarland@aol.com*

THOMAS F. MCFARLAND

July 17, 2006

**State Clearinghouse (or alternate):**

Clearinghouse Office  
Department of Finance and Administration  
Office of Policy Development  
1301 Woolfolk Bldg., Suite 5  
501 North West Street  
Jackson, MS 39201

Tennessee State Planning Office  
500 Charlotte Avenue  
309 John Sevier Bldg.  
Nashville, TN 37219

**State Historic Preservation Office:**

Mississippi Department of Archives & History  
P.O. Box 571  
Jackson, MS 39205-6850

Tennessee Historical Commission  
Clover Bottom Mansion  
241 Lebanon Road  
Nashville, TX 37243

**U.S. Army Corps of Engineers:**

U.S. Army Corps of Engineers  
Colonel Daniel Krueger, Commander  
167 North Main Street, Room B202  
Memphis, TN 38103-1894

U.S. Army Corps of Engineers  
Colonel Robert Crear, Commander  
4155 Clay Street  
Vicksburg, MS 39180-3435

**U.S. Natural Resource Conservation Service:**

USDA Natural Resource Conservation Service  
Jackson State Office  
Suite 1321, Federal Building  
100 West Capitol Street  
Jackson, MS 39269

USDA Natural Resource Conservation Service  
675 US Courthouse  
801 Broadway  
Nashville, TN 37203

**State Environmental Protection Agency:**

Mississippi Department of Environmental Quality  
P.O. Box 20305  
Jackson, MS 39289

Tennessee Department of Environment  
and Conservation  
401 Church Street  
Nashville, TN 37243

**State Department of Transportation:**

Mississippi Department of Transportation  
401 North West Street  
Jackson, MS 39201

Tennessee Department of Transportation  
James K. Polk Building  
505 Deaderick Street, Suite 700  
Nashville, TN 37243-0349

**National Geodetic Survey:**

National Geodetic Survey  
NOAA N/NGS2  
1315 East-West Highway  
Silver Springs, MD 20910-3282

**U.S. Environmental Protection Agency:**

U.S. Environmental Protection Agency  
Region 4  
Sam Nunn Atlanta Federal Center  
61 Forsyth Street  
Atlanta, GA 30303-3104

**U.S. Fish & Wildlife:**

U.S. Fish & Wildlife, Region 4  
1875 Century Blvd., Suite 400  
Atlanta, GA 30345

**National Park Service:**

National Park Service  
Land Resources Division  
1849 C Street, N.W., MS#3540  
Washington, DC 20240



July 17, 2006

Page 2

**Head of County (Planning):**

Tippah County, Mississippi  
County Clerk (for County Planner)  
P.O. Box 99  
Ripley, MS 38663-7374

Union County, Mississippi  
County Clerk (for County Planner)  
P.O. Box 847  
New Albany, MS 38652-0847

Hardeman County, Tennessee  
County Clerk (for County Planner)  
100 North Main Street  
Bolivar, TN 38008

**Other Agencies Consulted:**

Mississippi Public Service Commission  
501 North West Street  
Jackson, MS 39201

Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Surface Transportation Board Docket Nos. AB-868 (Sub-No. 1X), *Mississippi Tennessee Holdings, LLC -- Abandonment Exemption -- in Hardeman County, TN and Tippah and Union Counties, MS*; and AB-869 (Sub-No. 1X), *Mississippi Tennessee Railroad, LLC -- Discontinuance of Service Exemption -- in Hardeman County, TN and Tippah and Union Counties, MS*

Dear Agency or Government Representative:

In the near future, Mississippi Tennessee Holdings, LLC (MTH) and Mississippi Tennessee Railroad, LLC (MTRR) plan to file with the Surface Transportation Board in Washington, DC, a Notice of Exemption for MTH to abandon, and for MTRR to discontinue rail service over, two segments of rail line totaling 20.76 miles, as set out below:

(1) between Milepost No. 367.5, which is located approximately 25 feet north of the centerline of Thryson Krump plant entry road in Middleton, Hardeman County, Tennessee, and Milepost No. 348.1, which is located approximately 1,663 feet north of the centerline of Industrial Park Road at the northern end of Ripley, Tippah County, Mississippi, a distance of approximately 19.4 miles;

and

(2) between Milepost No. 325.56, which is located approximately 25 feet north of the BNSF diamond in New Albany, Union County, Mississippi, and Milepost No. 324.2, which is located approximately one-quarter of a mile south of Interstate Highway 78 in Union County, Mississippi, a distance of approximately 1.36 miles.

The line segments proposed for abandonment and discontinuance of service are referred to collectively as "the Rail Line." The Rail Line is shaded in yellow on a map that is attached to this letter as Exhibit 1.

July 17, 2006

Page 3

There are no shippers who are located at points along the Rail Line. Shippers who have used the Rail Line to route traffic north to Middleton, Tennessee for interchange to Norfolk Southern Railway Company or Kansas City Southern Railway Company will be able, after the abandonment, to reroute that traffic south to New Albany, Mississippi for interchange to BNSF Railway Company.

Pursuant to STB regulations at 49 C.F.R. § 1105.7, this letter is to request your assistance in identifying potential environmental and historic effects of the proposed abandonment. MTH and MTRR do not anticipate any adverse environmental or historic impacts; however, if you identify any such adverse impacts, please describe any action that could be taken to mitigate such adverse impacts. Please provide a written response to this letter so that it can be included in a Draft Environmental and Historic Report that MTH and MTRR will prepare and file with the STB.

COUNTY PLANNING AGENCIES. Please state whether the proposed abandonment would be consistent with existing land-use plans. Describe any inconsistencies.

U.S. SOIL CONSERVATION SERVICE. Please state the effect of the proposed abandonment on any prime agricultural land.

U.S. FISH AND WILDLIFE SERVICE. Please state (1) whether the proposed abandonment is likely to adversely affect endangered or threatened species or areas designated as a critical habitat and, if so, please describe such effects; and (2) whether wildlife sanctuaries or refuges, National or State parks or forests will be affected and, if so, describe such effects.

STATE WATER QUALITY OFFICIALS. Please state whether the proposed abandonment would be consistent with applicable Federal, State or Local water quality standards. Please describe any inconsistencies.

U.S. ARMY CORPS OF ENGINEERS. Please state (1) whether permits under Section 404 of the Clean Water Act (33 USC 1344) are required for the proposed abandonment, and (2) whether any designated wetlands or 100-year flood plains would be affected by the proposed abandonment. Please describe any such effects.

U.S. AND STATE ENVIRONMENTAL PROTECTION AGENCIES (OR EQUIVALENT AGENCY). Please (1) identify any potential adverse environmental effects of the proposed abandonment on the surrounding area, and (2) identify the location of any known hazardous materials spills on the right-of-way of the Rail Line, and list the types of hazardous materials involved, and (3) state whether permits under Section 402 of the Clean Water Act (33 USC 1342) are required for the proposed abandonment.

THOMAS F. MCFARLAND

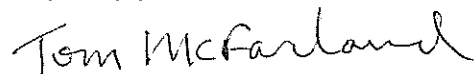
July 17, 2006

Page 4

STATE HISTORICAL PRESERVATION OFFICE. Please identify any known bridges and/or other structures located on the Rail Line that are 50 years old or older, and which are historically significant. Please state whether the proposed abandonment would have an adverse effect on such bridges and/or structures and, if so, please describe efforts that can be taken during removal of the tracks in the Rail Line to mitigate any such adverse effects.

Please send your reply to me as MTH's and MTRR's attorney to: Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112. You may reach me by telephone at (312) 236-0204 if you have any questions or need further information. MTH and MTRR appreciate your assistance in furnishing a reply to this letter.

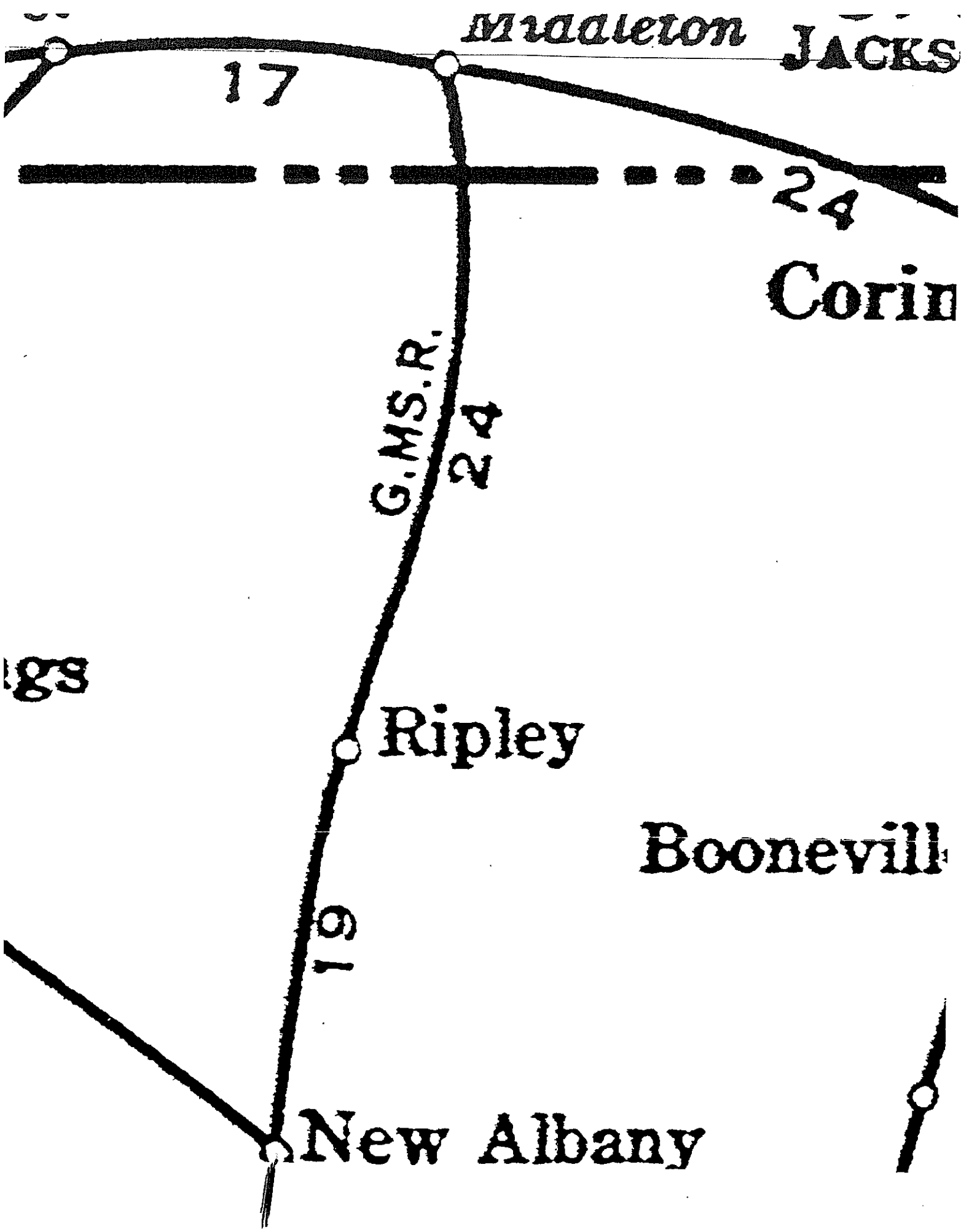
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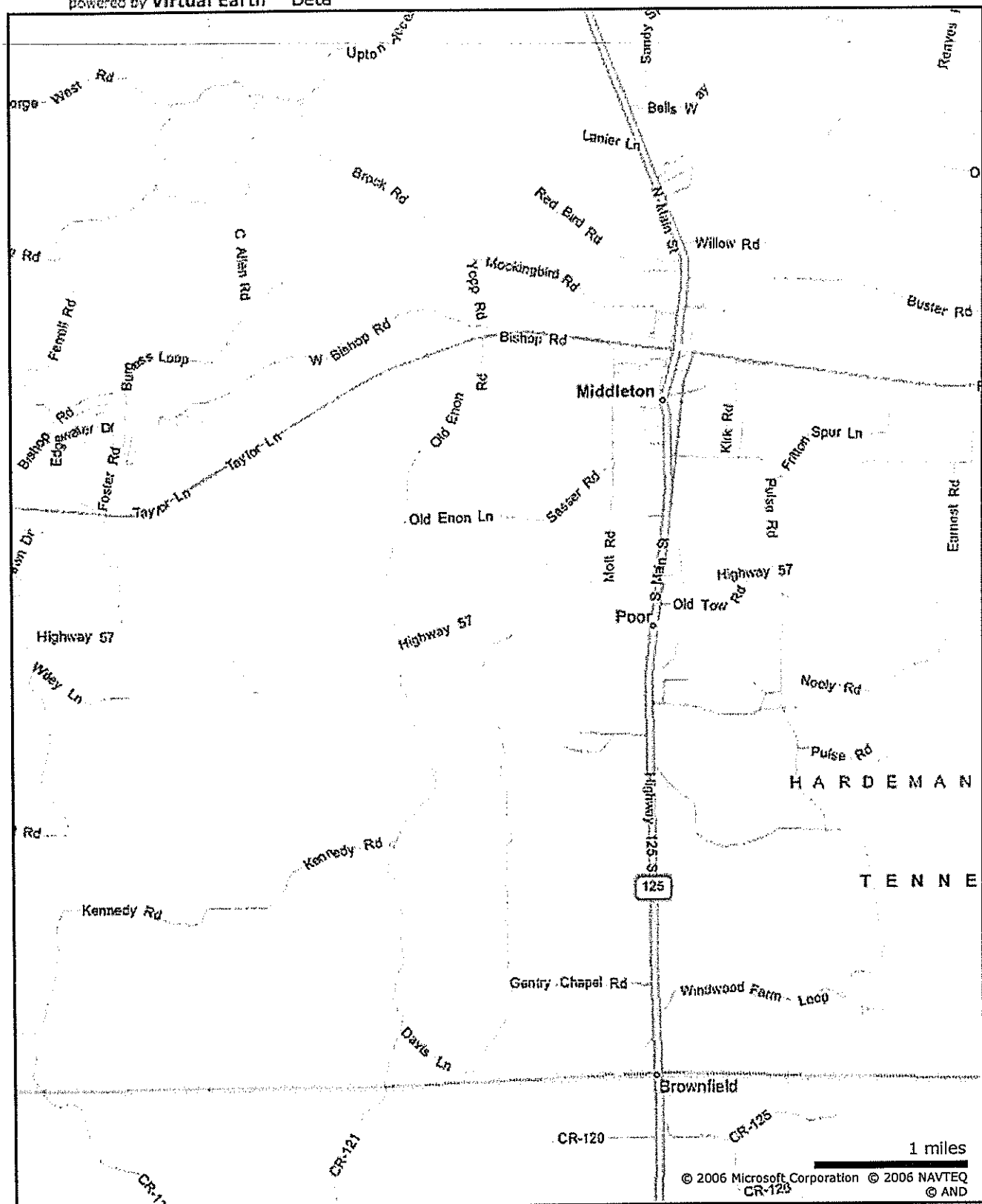
Thomas F. McFarland  
*Attorney for Mississippi Tennessee  
Holdings, LLC and Mississippi  
Tennessee Railroad, LLC*

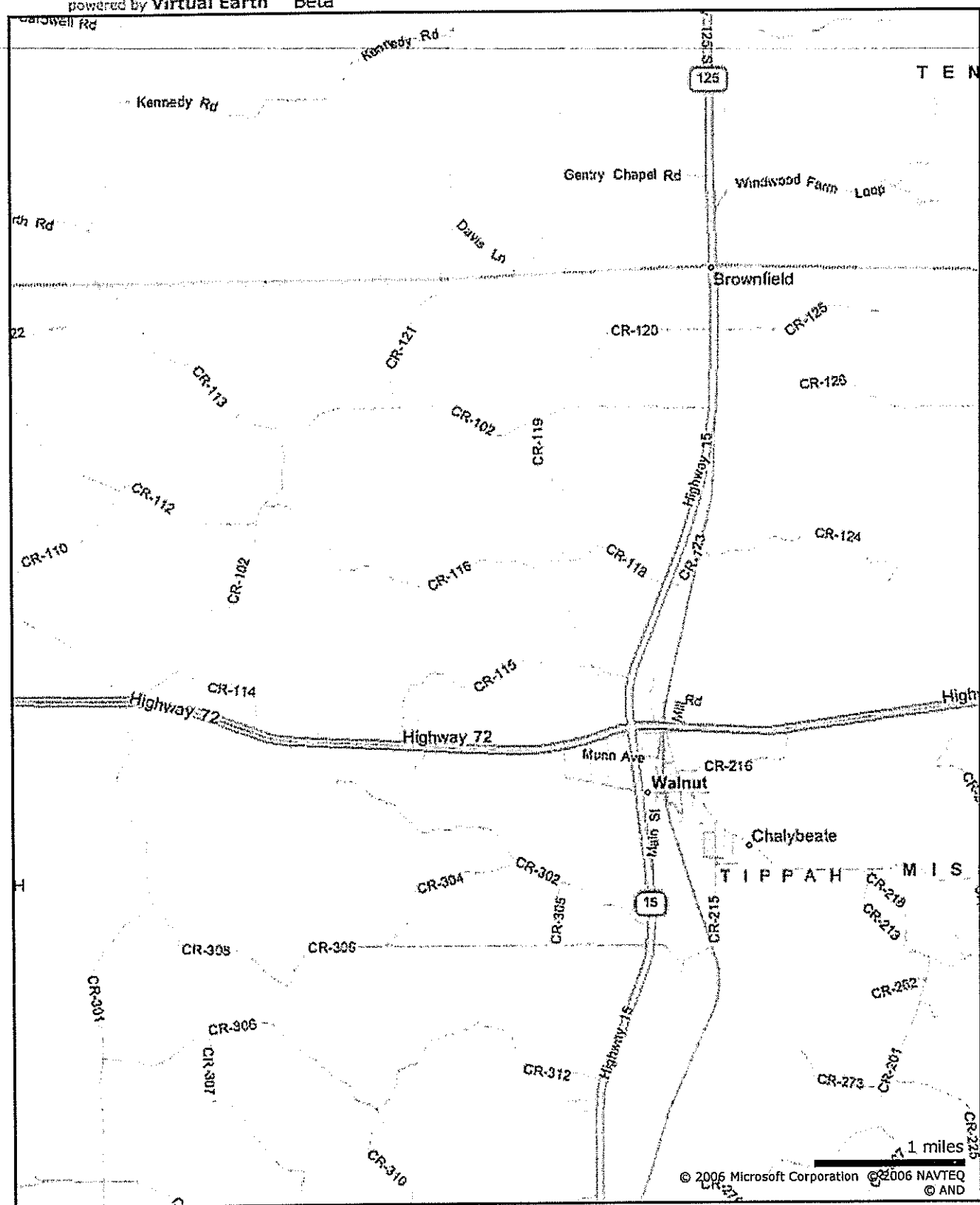
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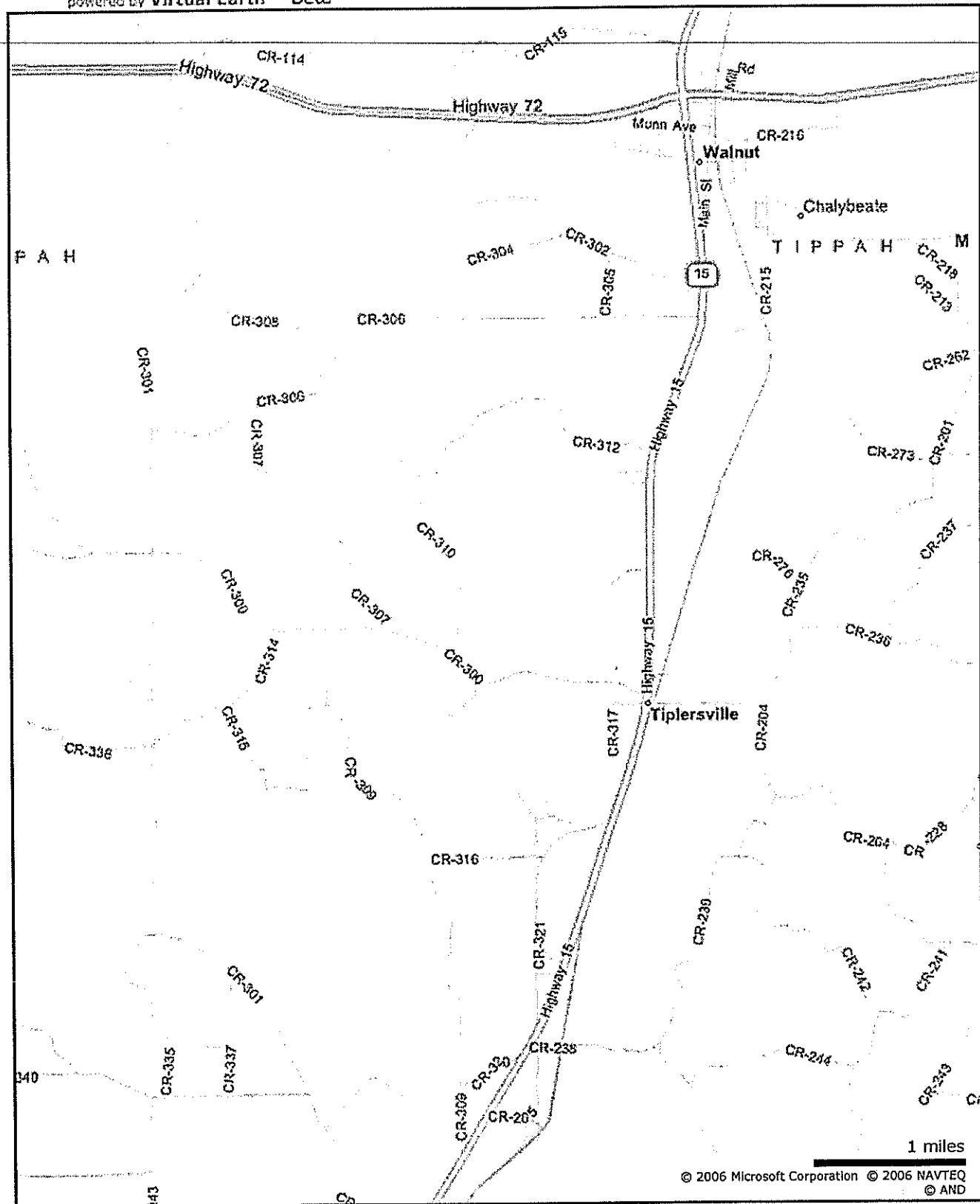
cc: Mr. Randy Cundiff



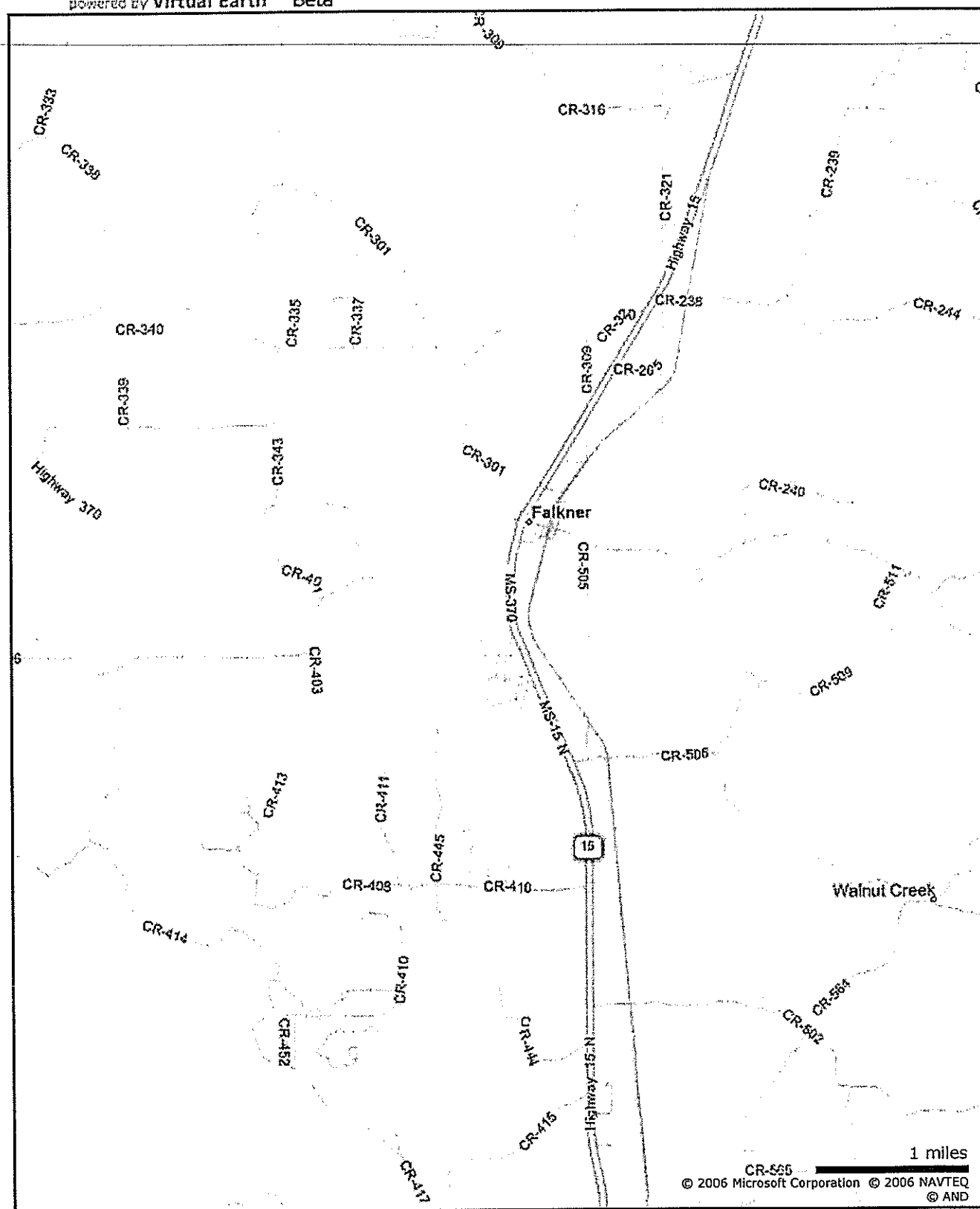
## APPENDIX 3

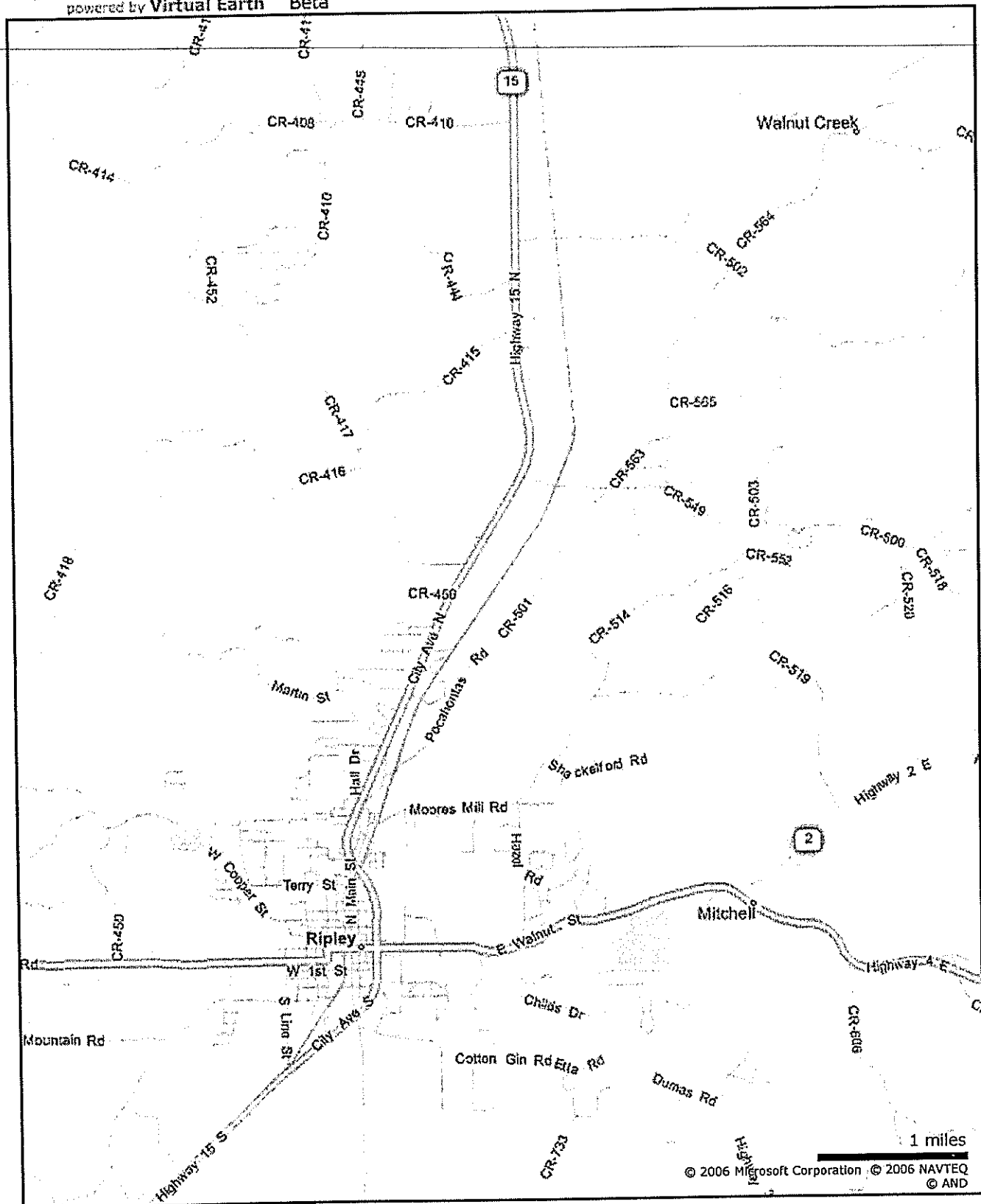












## APPENDIX 4



MP 348.5



MP 348.5



MP 348.8



MP 348.8





MP 349.0



MP 349.0



MP 349.8



MP 349.8





MP 352.6



MP 352.6





MP 352.7



MP 352.7



MP 354.0



MP 354.0





MP 358.3



MP 358.3

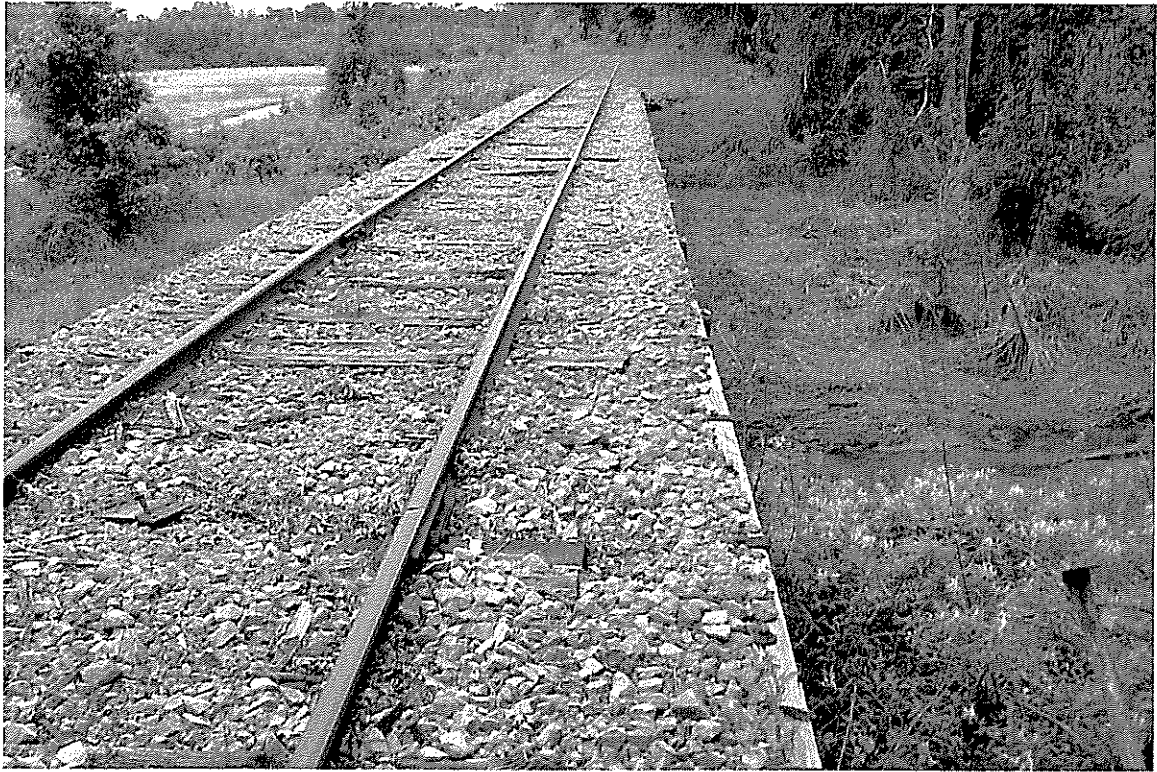


MP 358.5



MP 358.5





MP 358.6



MP 358.6



MP 359.1



MP 359.1





MP 359.3



MP 359.3



MP 359.5



MP 359.5





MP 363.0



MP 363.0



MP 367.1



MP 367.1

## APPENDIX 5

## Mississippi Tennessee Railroad

Bridge	Date of Construction	
348.5 *	1956	
348.8 *	1953	
349 *	1953	
349.7	1957	
349.8 *	1951	
352.6 *	1953	
352.7 *	1953	
354 *	1949	(repaired 1960)
354.2	1964	
354.7	1962	
355.2	1958	
356.1	1959	
357.4	1960	
358.2	1966	
358.3 *	1954	
358.5 *	1954	
358.6 *	1954	
359.1 *	1956	
359.3 *	1953	
359.5 *	1951	
363 *	1944	(repaired 1960)
364.8	1970	
365.3	1962	
367.1 *	1956	

## CERTIFICATE OF SERVICE

I hereby certify that on August 14, 2006, I served the foregoing document, Draft

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Clover Bottom Mansion  
241 Lebanon Road  
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U.S. Army Corps of Engineers  
Colonel Daniel Krueger, Commander  
167 North Main Street, Room B202  
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Colonel Robert Crear, Commander  
4155 Clay Street  
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Jackson State Office  
Suite 1321, Federal Building  
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Jackson, MS 39269

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675 US Courthouse  
801 Broadway  
Nashville, TN 37203

Tippah County, Mississippi  
County Clerk (for County Planner)  
P.O. Box 99  
Ripley, MS 38663-7374

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County Clerk (for County Planner)  
P.O. Box 847  
New Albany, MS 38652-0847

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County Clerk (for County Planner)  
100 North Main Street  
Bolivar, TN 38008

Mississippi Department of Environmental  
Quality  
P.O. Box 20305  
Jackson, MS 39289

Tennessee Department of Environment  
and Conservation  
401 Church Street  
Nashville, TN 37243

Mississippi Department of Transportation  
401 North West Street  
Jackson, MS 39201

Tennessee Department of Transportation  
James K. Polk Building  
505 Deaderick Street, Suite 700  
Nashville, TN 37243-0349

National Geodetic Survey  
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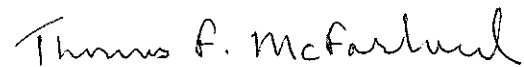
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61 Forsyth Street  
Atlanta, GA 30303-3104

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1875 Century Blvd., Suite 400  
Atlanta, GA 30345

National Park Service  
Land Resources Division  
1849 C Street, N.W.  
Washington, DC 20240

Mississippi Public Service Commission  
501 North West Street  
Jackson, MS 39201

Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505



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Thomas F. McFarland